

- Should the Commission nevertheless retain the cellular eligibility restriction, it should clarify that carriers will be permitted to come into compliance with ownership and attributable interest standards by the date PCS operations begin. (17)
- McCaw opposes MCI and GCI's requests that cellular participation be further narrowed. McCaw argues that MCI and GCI base their requests on unfounded allegations. In addition, McCaw contends that MCI and GCI are merely attempting to gain an unwarranted competitive advantage by excluding would-be competitors. (18-21)

## **MCI TELECOMMUNICATIONS CORPORATION**

**Interest:** Interexchange carrier.

### **Band Plan:**

- The allocation of spectrum for PCS is sound and reasonable and should be reaffirmed in all material respects -- smaller spectrum blocks and smaller license areas would greatly increase the cost and delays associated with the development of broadband PCS. (2-3)

### **Service Areas:**

- Compulsory partitioning must be rejected but if the FCC allows voluntary partitioning, recommends that it be limited to areas no smaller than a BTA with not less than 10 MHz of spectrum, pending examination of the feasibility of smaller partitions in a separate rulemaking. (3-5)
- Supports Telocator's recommendation that PCS licensing areas be restated in terms of county-based BTAs aggregated into MTAs. (7)

### **Cellular Eligibility:**

- The FCC must reject the proposals of entrenched cellular and LEC interests urging the FCC to relax its eligibility rules. (9-13)
- The efforts of various parties to weaken the FCC's eligibility and attribution rules underscores the need for the FCC to modify its rules in accordance with MCI's proposal -- the nine largest cellular carriers and their affiliates should be foreclosed from bidding on at least one 30 MHz MTA block. (8-9)
- Rural telcos should not be excluded from the cellular eligibility and attribution rules. (14-15)
- Comcast's petition urging elimination of the pre-auction certification requirement should be denied. (16-17)

### **Power Limits:**

- An increase in the base station power limit to 1000 W ERP or higher would facilitate the economic deployment of PCS. (18-19)

- An increase in the permissible power levels to 12 W ERP for non-handheld subscriber units would increase the flexibility of 2 GHz PCS licensees to meet customer requirements. (19)

#### **Performance Requirements:**

- Requests for *de jure* or *de facto* elimination of construction requirements for 2 GHz PCS must be rejected, but some relaxation of the construction requirements may be warranted if the FCC does not substantially increase base station and mobile unit power limits. (17-18)

#### **Interference Standards:**

- Supports petitioners' recommendations that the rules be recast in a form that provides sufficient flexibility to implement industry-developed consensus standards for PCS-microwave interference protection. (19-20)

#### **CAI Standards:**

- Urges rejection of proposals to require compliance with an ANSI-accredited industry standard common air interface as a condition precedent to equipment type acceptance. (21-22)

#### **Other:**

- To the extent the FCC believes there may be a future need for MSS spectrum, the FCC should initiate a separate proceeding to identify and allocate other bands for MSS. (6)
- APCO and UTC's requests for set-asides within the 2 GHz band should be denied. (6)
- Supports reconsideration of the requirement that latitude, longitude and elevation of licensed PCS facilities be specified within  $\pm 5$  meters. (22)
- Supports the FCC's determination to initiate a separate rulemaking to address E-911 and related issues with regard to PCS, cellular and other relevant mobile services. (22)
- Does not object to AT&T's request for clarification that radio common carriers may not use the unlicensed band to provide services, but submits that adequate safeguards must be adopted if the FCC implements such a limitation. (23)

## **MOTOROLA INC.**

**Interest:**      Equipment manufacturer.

### **CAI Standards:**

- While the comments reflect a consensus that technical standards for PCS should be left to the industry, FCC mandated equipment standards timetables are necessary to realize the vision of anywhere, anytime communications. (2)
- Official standards for PCS will increase the likelihood of US standards evolving into *de facto* international standards. (3)
- The FCC should require industry standards bodies to adopt interim PCS equipment standards no later than September of 1994 and modify its rules to include a requirement that PCS equipment authorization requests must certify compliance with interim industry standards developed by ANSI-accredited bodies. (3-4)

## **GEORGE E. MURRAY**

**Interest:** African American entrepreneur interested in providing PCS.

**Band Plan:**

- A mixture of 10 MHz, 20 MHz and 30 MHz channel blocks will not serve the public interest as it is too complicated and will prove to be inflexible. Moreover, the current allocation does not adequately address the technical problems associated with aggregating spectrum across the lower and upper bands. (3-4)
- The petitions for reconsideration support Mr. Murray's view that the geographic license areas should be modified to specify smaller license territories of greater uniformity -- favors 10 MHz allocations across the board but 20 MHz channel blocks would be a marked improvement over the current allocation. (3-6)

**Cellular Eligibility:**

- Cellular eligibility restrictions should be relaxed only for those who enter strategic alliances with designated entities. (7-8)

**Power Limits:**

- The technical rules should be modified to allow for increased power. Such a step would encourage minority participation by reducing PCS infrastructure costs and increasing competitiveness with existing cellular systems. (6-7)

## **NATIONAL EMERGENCY NUMBER ASSOCIATION**

**Interest:** Non-profit corporation whose goal is to foster the technological advancement and implementation of a universal emergency telephone number system.

**Other:**

- NENA supports those petitioners that urge the Commission to establish E-911 capability for PCS systems. (2-4)
- NENA also agrees with certain commenters, however, that the PCS proceeding may not provide a sufficient record for resolution of E-911 issues. Accordingly, if the Commission concludes that the record is insufficient, NENA urges the agency to initiate expeditiously a proceeding to devise and impose a single uniform standard for delivery of location information intelligible to 911 systems by PCS and other mobile service providers. (4-5)

## **NEXTEL COMMUNICATIONS, INC.**

**Interest:** SMR and ESMR licensee

### **Band Plan:**

- Opposes Time Warner's proposal to award 40 MHz PCS licenses. Granting bigger spectrum blocks to fewer licensees will not promote competition and diversity. Instead it will encourage spectrum inefficiency. (10-12)

### **Service Areas:**

- Opposes proposals to permit subdivision of service areas or of spectrum. While NEXTEL agrees that MTA markets are unsuited to the technical and market characteristics of PCS, partitioning would inject additional variables into the auction process and complicate the development of an orderly aftermarket. NEXTEL suggests instead that the FCC license only BTA-sized markets and permit some general relaxation of the build-out requirements. (13-14)

### **Cellular Eligibility:**

- Opposes imposing on ESMR providers the same eligibility restrictions adopted for cellular operators. (3-10)
  - The NPRM contemplated eligibility restrictions only on cellular providers and LECs. Restrictions on ESMR providers are thus outside the scope of the NPRM and may not be adopted on reconsideration. (4-6)
  - Regulatory parity does not require all commercial mobile carriers to be regulated in exactly the same way. (6-8)
  - The petitioners offer no public policy rationale for burdening new market entrants with rules adopted to restrain the exercise of market power by entrenched operators. (8-10)
  - Should the FCC determine that ESMR eligibility restrictions are within the scope of this proceeding and are necessary, it should adopt CTIA's proposal to count SMR spectrum towards the 40 MHz cap on PCS spectrum rather than limit the SMR operator to a 10 MHz PCS block. (10)

**Power Limits:**

- Opposes proposals to raise PCS power levels. The FCC has already considered and rejected such proposals because they are incompatible with the vision of PCS as low-power, microcellular systems serving local telecommunications needs. (14-15)

**CAI Standards:**

- Opposes proposals for more detailed technical (compatibility) standards since they would stifle the introduction of new technologies and settle upon the least common denominator technology. (15-16)



## **NORTHERN TELECOM**

**Interest:** Equipment manufacturer.

**Band Plan:**

- To minimize interference, agrees with proposals to allocate specific up and down links for PCS. (11-12)

**Power Limits:**

- The record demonstrates that an increase in the maximum base station power is justified to compete with cellular services; accordingly, Northern Telecom supports raising the limit to 1,600 Watts EIRP (attaches study by Moffit, Larson & Johnson showing interference to microwave users will not increase). (3-6)

**Interference Standards:**

- Supports Telocator position to extend out-of-band emissions limits to PCS-PCS interference as well as PCS-microwave interference. (9-11)
- The FCC should clarify what measurement bandwidth to use for out-of-band emissions; Northern Telecom supports the 1 percent measurement bandwidth suggested by Telocator, but suggests a further requirement that the system operates at its maximum defined capacity during measurement of spurious emissions. (10)

**CAI Standards:**

- The Commission should reject requests to become more involved in the PCS standards process since: voluntary standards groups are working expeditiously; awaiting finalization of a standard may delay the advent of PCS; mandating compliance with an ANSI standard may damage US competitiveness; a CAI alone is insufficient to meet the stated goals and standards designed to satisfy full interoperability criteria will take longer to develop; FCC involvement in standards is antithetical to the voluntary nature of ANSI standards; and FCC involvement may disrupt the ANSI process. (6-9)

## **NYNEX CORPORATION**

**Interest:** Regional Bell Operating Company.

### **Cellular Eligibility:**

- NYNEX opposes the MCI and GCI's suggestions that the nine largest cellular carriers be precluded from one of the 30 MHz licenses, and Comcast's suggestions that (1) only nonwireline carriers should be fully eligible for PCS spectrum and (2) to the extent that LECs are allowed limited eligibility, their provision of PCS should be subject to strict structural separation requirements. (5-6)
- NYNEX maintains that significant public interest benefits will be realized by allowing cellular carriers and their LEC affiliates to fully participate in PCS. In support of this assertion, NYNEX cites to the Commission's decision to encourage LEC participation in cellular by creating the wireline set-aside and to the performances by LECs following the cellular decision. (6)
- NYNEX further argues that because cellular carriers do not have market power in either the cellular or PCS markets, their full participation cannot limit competition in the provision of these services. (7)

### **Performance Requirements:**

- NYNEX urges the Commission not to relax its build-out requirements, and suggests that the proposals of Southwestern Bell, Pacific Bell and Nevada Bell, and BellSouth to do so are inconsistent with the objective of universality of service. (8)
- NYNEX suggests that a better way for potential PCS licensees to recognize the difficulties associated with the build-out requirements in certain areas is for affected parties to adjust their bids to reflect the unique capital requirements that may be generated by the particular demographics of each market. (9)

## **OMNIPPOINT CORPORATION, INC.**

**Interest:** 2 GHz Pioneer's Preference recipient and equipment manufacturer.

**Band Plan:**

- Opposes suggestions to create uplink/downlink bands by restricting the power of TDD devices as reducing flexibility to implement diverse technologies. (4-5, 14)

**Power Limits:**

- Supports Telocator position that base power limits should be raised to at least 1000 Watts ERP. (4, 13)

## **PACIFIC BELL AND NEVADA BELL**

**Interest:** Bell Operating Companies.

### **Service Areas:**

- Believes the Telocator plan to list MTA and BTA areas by constituent counties is an acceptable alternative to Rand-McNally license areas that will alleviate (overstated) intellectual property concerns. (ii, 6-8)

### **Ownership Limitations:**

- Opposes Comcast's suggestion to impose structural separation requirements on LECs as offering no basis for disturbing the Commission's existing and correct determinations that structural separation is counterproductive. (ii, 4-6)

### **Cellular Eligibility:**

- The 10 percent PCS eligibility rule is clear on its face, and U S West's interpretation should be rejected. (ii-iii, 9-10)

### **Performance Requirements:**

- Opposes Sprint's proposal to allow PCS providers to satisfy coverage requirements through reliance on cellular coverage as giving PCS-cellular carriers an unfair advantage. (ii, 8-9)

### **Power Limits:**

- Even proposed revised power limits are too low; power limits for PCS base stations should be raised to 1900 Watts EIRP per RF channel to ensure effective competition with cellular. (ii, 1-3)

### **Interference Standards:**

- The FCC should adopt the Okumura-Hata or COST231 propagation models for, respectively, suburban/rural and urban areas to more realistically estimate path loss. (ii, 3-4)

## **PCS ACTION, INC.**

**Interest:** Group of major potential new service providers and manufacturers

### **Band Plan:**

- Opposes proposals of incumbent mobile service providers to license only 20 MHz and 10 MHz blocks. (3-9)
  - Larger blocks are necessary to permit rapid deployment of PCS (especially given presence of incumbent users), to give more leverage to PCS licensees in negotiating with microwave incumbents, to allow PCS operators to compete with cellular carriers, and to provide flexibility for the fullest range of PCS services. (4-6)
  - Proposals advocating allocation of smaller blocks that can be accumulated in an aftermarket would increase up-front costs on PCS licensees (disadvantaging new market entrants) and contravene the intent of the competitive bidding legislation. (7-8)
  - Different sized blocks will not destroy competition, but rather facilitate the provision of different types of PCS services. (8-9)
  - There is ample record support for 30 MHz blocks. (9)

### **Service Areas:**

- Opposes proposal of CTIA and others to license only BTA service areas. Wide-area (MTA) licensing will promote rapid deployment of PCS and allow PCS licensees to tailor their systems to the natural geographic dimensions of PCS markets. The RBOCs' endorsement of MTAs in DOJ filings as new exchange areas for wireless services is inconsistent with their cellular affiliates' reconsideration request. (10-12)

### **Cellular Eligibility:**

- Opposes proposals to relax the 10 MHz BTA limit for in-region cellular providers. Without such eligibility restrictions, incumbent cellular carriers will continue to dominate the wireless spectrum. (13-15)
- Opposes CTIA's proposed attribution rules as they will result in the dominant cellular incumbents capturing all of the large spectrum blocks. (15-17)

## **PMN, INC.**

**Interest:** Consortium of local exchange carriers that holds interests in cellular licenses.

### **Cellular Eligibility:**

- Persuasive arguments were advanced by other parties that support PMN's petition to exempt limited partnership interests from the cellular eligibility and attribution rules. (2)
  - Limited partnership interests do not have access to cellular spectrum and cannot use cellular service to thwart competition. (2-3)
  - Cellular and PCS have substantial differences that will inhibit the use of cellular spectrum for PCS. (3-4)
  - The Congressional mandate to develop and deploy new services to the public, particularly in rural areas, must be implemented. (4-5)
  - Limited partners have no cognizable interest and therefore no basis exists to restrict them in the provision of PCS. (5)
- Suggestions to increase the 10 percent overlap or the ownership limit would not meet PMN's concerns because this alternative fails to achieve the objective of bringing PCS to less populated areas by allowing participation by those best suited to do so. (6-7)
- Proposals to remove only non-wireline cellular carriers from the eligibility rules should not be granted; the cellular eligibility rules should be modified for all entities to allow those with limited partnership interests to fully participate in PCS. (7)
- Efforts to clarify the attribution rule do not take into account the public interest arguments for exempting independent local exchange carrier interests from that restriction. (8-9)

## **QUALCOMM INCORPORATED**

**Interest:** Spread spectrum equipment manufacturer.

### **CAI Standards:**

- Qualcomm supports those aspects of the Petitions for Reconsideration filed by Motorola and TIA urging the Commission to reconsider its decision not to create a regulatory requirement for equipment manufacturers to adhere to industry-wide standards for PCS. (2)
- Qualcomm supports the suggestion that the Commission require conformance to an industry developed common air interface standard or standards, and argues that the rapid acceptance of common standards pursuant to a regulatory requirement will foster early implementation of PCS technology. (3)
- Qualcomm suggests that the Commission look to the development of cellular industry standards for guidance in the PCS context. (3)
- Qualcomm argues that in the PCS context, Motorola and TIA correctly do not urge the Commission to mandate use of a single industry standard, but merely propose that the Commission require, as a precondition for type-acceptance of licensed PCS products, that all equipment adhere to a standard developed by an ANSI-accredited body such as TIA. (4)
- Qualcomm also agrees with Motorola's suggestion that a lack of government involvement in the standards setting process will continue to act as a deterrent to the acceptance of U.S. technology in the global market, and suggests that the minimal regulatory involvement suggested by Motorola and TIA would be sufficient to aid in the world-wide acceptance of U.S. technology. (4-5)

## **RAND MCNALLY & COMPANY**

**Interest:** Author of Major Trading Area and Basic Trading Area designations.

**Service Areas:**

- Petitions to the FCC have increased concern that use of the MTAs and BTAs as the PCS service areas may require Rand McNally to expend significant resources to defend and police its copyrights. As a result, recommends modifications to the proposed terms under which the FCC and individual licensees may use the MTA and BTA listings. If this modified proposal is not adopted, urges FCC to use different market descriptions. (8-11)



## **SPRINT CORPORATION**

**Interest:** Interexchange carrier.

### **Cellular Eligibility:**

- Sprint opposes MCI's suggestion that the nine largest cellular carriers be excluded from bidding on one of the 30 MHz bands. Sprint claims that MCI is merely seeking to restrain bidding competition by excluding the major companies against which it might otherwise have to compete. (2)
- Sprint challenges MCI's argument that the proposed exclusion is fair because cellular carriers received spectrum for "free" by asserting that while this may be true of original licensees, many current license holders paid full value in the aftermarket. (2)
- In response to MCI's contention that because cellular carriers need not obtain license renewals through an auction system, cellular has an advantage over PCS, Sprint states that neither cellular nor PCS renewals will be auctioned. (3)
- Responding to MCI's argument that existing cellular carriers may not choose to compete with each other if one offers PCS in a territory where another offers cellular, Sprint argues that this suggestion is not supported by the facts. One need look no further than AT&T/McCaw competing with Sprint, US West/Time Warner competing with the other RBOCs, Bell Atlantic/TCI competing with the other RBOCs, and BellSouth competing through Prime Cable to determine that actual or announced competition is a reality. (3)

### **Band Plan:**

- Sprint opposes Time Warner's suggestion that the Commission reconsider the amount of spectrum allocated to each licensee and that the rules be modified to grant each licensee a minimum of 40 MHz or more. Sprint does not challenge the accumulation of spectrum, but argues that the initial grant of only three 40 MHz licenses would result in an undesirable amount of concentration, hampering the ability of preference groups to participate in PCS. (4)
- In addition, Sprint does not believe 40 MHz is needed to provide PCS. A viable full-service PCS offering may be made available with as little as 20 MHz. Accordingly, Sprint favors the proposals by Bell Atlantic and BellSouth to the effect that six 20 MHz licenses be created, and suggests that if the Commission reconsiders license sizes, the six 20 MHz format be adopted. (5)

- Sprint also opposes AMSC, Comsat and TRW's requests that the Commission reduce the PCS allocation so that more spectrum in the 2 GHz band will be available for satellite service. Sprint maintains that sufficient spectrum is available for satellite companies and that the reducing the PCS allocation will hamper the competitiveness of PCS. (5)
- In this same vein, Sprint opposes the suggestions advanced by UTC and APCO seeking to have commercial PCS licenses diverted to private use. Private users are free to use commercial PCS offerings, which may be customized to meet their needs. (5-6)

**Other:**

- Finally, Sprint opposes Comcast's suggestion that the Commission establish interconnection principles for the connection of PCS networks to the public switched network. Sprint argues primarily that it is inappropriate for the Commission to grant Comcast's request because no evidence has been received in the PCS proceeding on PCS interconnection proposals. (7)

**TELECOMMUNICATIONS INDUSTRY ASSOCIATION  
FIXED POINT-TO-POINT COMMUNICATION SECTION  
NETWORK EQUIPMENT DIVISION**

**Interest:** Trade association and standards setting body comprised of equipment manufacturers.

**Interference Standards:**

- There is unanimity that, once adopted, TSB10-F should be the only PCS-microwave interference standard, and therefore suggests revising the rules to accord TSB10-F the same status as the Appendix D calculations and revising Appendix D as suggested by TIA. (2-3)
- The existence of more than one PCS-microwave interference calculation methodology will be chaotic and unacceptable. (3-4)
- Both the PCS industry and the microwave users support use of TSB10-F. (4-5)
- If the revised TSB10-F is delayed, certain revisions to the Appendix D methodology should be adopted, including eliminating the use of Longley-Rice as the only path loss model. (5-6)

**Power Limits:**

- While TIA does not oppose increasing the allowable base station power, any such change must be accompanied by a corresponding revision of the coordination criteria. (6-7)

## **TELEPHONE AND DATA SYSTEMS, INC.**

**Interest:** Telecommunications company providing local exchange telephone, cellular and paging services.

### **Band Plan:**

- Proposed reallocation of the PCS channel blocks to establish six 20 MHz allocations but would support allocation of two 30 MHz and three 20 MHz blocks. (14)
- Strongly supports establishing base-to-mobile and mobile-to-base bands to reduce interference. (2)

### **Power Limits:**

- Good system design will set natural limits on base station power; excessive base power will result in unbalanced talk-in/talk-out distances or require levels of mobile power causing unacceptable levels of interference. (1)
- Linear power amplifiers at 2 GHz for suggested ERPs are expensive and difficult to implement. (1)
- Suggests examining reducing coverage requirements or evaluating new technologies before resorting to radical power increases. (1-2)
- If base power levels are raised, the PCS-microwave coordination table must be revised. (3)

### **Interference Standards:**

- Allowing more than one method of calculating PCS-microwave interference will cause uncertainty; the FCC should endorse TSB10-F as the sole method. (3)
- In the interim until TSB10-F is ready, the FCC should adopt consensus revisions to Appendix D regarding propagation modeling and urban correction factors. (3)

**Application Filing Requirements:** Supports APC and Telocator positions that  $\pm 5$  m antenna location accuracy is unnecessary. (1)

**CAI Standards:**

- Supports Motorola's suggestion to rapidly develop national technical standards. (2)
- The FCC should require all 2 GHz PCS equipment to meet type-acceptance criteria covering a CAI by an ANSI-accredited body. (3)
- Believes the FCC should mandate timeframes for interoperability and roaming standards to ensure creation of standards without itself creating standards. (3)

**Cellular Eligibility:**

- Current attribution and overlap standards governing cellular eligibility should be amended as proposed by CTIA to specify 30 or 35 percent ownership attribution and a 40 percent overlap. The revised standards realistically permit an expanded role for smaller and geographically dispersed cellular carriers. (4-10)
- Applicants subject to cellular eligibility restrictions should be permitted to bid for PCS licenses subject to compliance with eligibility rules before initiating PCS service. (10)
- If any cellular eligibility restrictions are retained, such restrictions should be broadened to apply equally to ESMR operations. (11)
- Believes the FCC should reject the proposals of MCI and GCI to exclude certain cellular carriers from bidding on one of the MTA channel groups. (12-13)

**Other:**

- Opposes the exclusive allocation of PCS spectrum proposed by UTC for private non-commercial systems as unnecessary and counter-productive to the broad objective of promoting the rapid and widespread public availability of PCS technologies. (13-14)

## **TELOCATOR**

**Interest:** Trade association of PCS interests

**Band Plan:**

- Opposes proposal of UTC and APCO to create dedicated PCS set-asides solely for private uses. To the extent that dedicated spectrum for private use is warranted, private users can obtain spectrum on the same terms and conditions as any other spectrum user through competitive bidding or by negotiating with individual licensees. (12-13)

**Service Areas:**

- The PCS license areas should be restated in terms of counties, rather than relying on a proprietary map system. As Telocator and others have suggested, such a proposal would avoid the threat of litigation. (9-10)

**Band Plan/Service Areas:**

- Supports proposal of PCS Action and others to permit PCS licensees to subdivide PCS spectrum and/or market areas and "sublease" these portions to other entities. Such a proposal permits further flexibility in the use of the spectrum and provides needed accommodations to permit the provision of PCS while numerous incumbent microwave licensees still occupy the band. (6-7)

**Power Limits:**

- Numerous petitioners agree with Telocator that maximum PCS base station transmit power levels should be increased to 1000 watts ERP. This modification will permit more economical PCS deployment, allow the provision of a variety of new spectrum-efficient technologies, and facilitate competition with cellular systems. The petitioners demonstrated that increased base station power limits would not require increases in mobile power or cause additional interference to incumbent microwave users. (2-5)
- Mobile power limits should be raised to 12 watts ERP for certain classes of PCS units because this would facilitate the offering of new and innovative services and equipment. (6)

**Interference Standards:**

- Other petitioners support Telocator's proposal to apply the existing PCS-microwave emissions mask to PCS-PCS interference. Failure to provide specific controls on adjacent channel emissions will greatly increase the potential for controversy and litigation between PCS licensees. (7-8)
- A broad range of petitioners agree with Telocator that the PCS-microwave interference criteria should be modified to allow greater flexibility to implement industry-derived consensus solutions. (8-9)

**Application Filing Requirements:**

- Urges the FCC to permit electronic filing of site-specific information with an FCC-approved contractor. (10)
- As Telocator and others have documented, in FCC filings licensees should be permitted to specify accuracy in the horizontal plane only to 1 second as any more than that is technically difficult, time consuming and exceedingly expensive. (11)

**RF Exposure:**

- Urges the FCC to clarify the applicability of the uncontrolled environment distinction for RF exposure evaluations to comport with the text in the Second Report and Order. (11-12)

**Other:**

- E-911 issues should be left to the industry for resolution in conjunction with the states. Such discussions have already begun. An FCC mandate for the provision of E-911 services is premature, unwarranted and could be counterproductive. (13-14)

## UNITED STATES TELEPHONE ASSOCIATION

**Interest:** Trade association of the exchange carrier industry.

**Cellular Eligibility:**

- USTA opposes Comcast's request that exchange carriers be required to conduct PCS operations through a separate subsidiary. USTA contends that the Commission considered the cost and benefits of structural separation in the context of BOC provision of enhanced services and determined that provision of such services on an integrated basis with basic services can result in operational efficiencies, economies of scope and cost savings. (2)
- USTA argues that exchange carriers should be permitted to add low-power radio access to existing exchange carrier networks on an integrated basis because:
  - exchange carriers have the financial resources and much of the required infrastructure, including personnel, physical plant, administrative procedures, billing systems, wireline links, intelligent network features and switching capability, already in place to support PCS;
  - integrated provision of PCS will permit exchange carriers to increase use of the public switched network, thereby increasing its efficiency and utility;
  - exchange carrier provision of PCS on an integrated basis will benefit customers by reducing costs, assisting in the deployment of PCS in rural areas, and avoiding the duplication of resources required by separate PCS operations;
  - in the Computer III Remand Order, the Commission concluded that its comprehensive regulatory framework of nonstructural safeguards provides an effective alternative to structural separation for protection against anticompetitive conduct; and
  - the integration of PCS and exchange carrier operations will not impede competition (as suggested by Comcast), but will facilitate the competitive offering of PCS. (3-4)
- USTA supports the petitions requesting that the Commission reconsider the cellular eligibility and attribution rules, and agrees with those petitioners that argue that the proposed rules will have a detrimental impact on many small and



mid-sized exchange carriers by effectively prohibiting them from providing PCS to their customers. (5)